

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Investigation by the Department of Telecommunications and Energy on its own Motion into the Appropriate Pricing, based upon Total Element Long-Run Incremental Costs, for Unbundled Network Elements and Combinations of Unbundled Network Elements, and the Appropriate Avoided Cost Discount for Verizon New England, Inc. d/b/a Verizon Massachusetts' Resale Services in the Commonwealth of Massachusetts

D.T.E. 01-20

**AT&T'S MOTION TO COMPEL RESPONSE BY VERIZON  
TO INFORMATION REQUEST ATT-VZ 5-6**

**Introduction.**

AT&T Communications of New England, Inc. ("AT&T") moves for an order compelling Verizon New England, Inc. ("Verizon") to provide a complete response to ATT-VZ 5-6, which seeks documentation of the basis of Verizon's in-place power factor used in its collocation cost study. AT&T has recently learned that Verizon has provided this information to the Federal Communications Commission ("FCC") in response to an FCC directive. If Verizon can provide and already has provided this information to the FCC, there is no reason why it cannot do so for the Department and the parties to this proceeding. AT&T believes that the requested information will reveal errors that Verizon has made in its cost study that systematically bias Verizon's cost estimates upward. Verizon should be compelled to provide the requested information in this proceeding for meaningful review by the Department and all participants.

**ATT-VZ 5-6.**

AT&T propounded ATT-VZ 5-6 on May 17, 2001. This request refers to Verizon's Collocation Cost Study (Part CA Exhibit Page 1 of 2 and Part CA Workpaper 5.0) and asks Verizon to:

[P]rovide supporting documentation to substantiate the power installation factor used in the DC Power Consumption cost study. Include actual invoices from vendors to substantiate the labor costs necessary to install each of the DC Power Plant components included in the Verizon cost study.

Verizon submitted a one paragraph response which stated:

For supporting documentation associated with the development of the power installation factor used in the collocation cost study, please see the response to WCom 2-8. Verizon MA did not use vendor labor costs in its cost study, instead it applied the 377C power installation factor to all the power plant components.

Verizon's response to WCom 2-8, in turn, provided no invoices or original documentation.

Instead, it was comprised of three sheets of paper with a total of 31 lines representing simple mathematical calculations on unsubstantiated assertions of data.

After AT&T filed its rebuttal testimony relying in part on the foregoing response, AT&T learned that Verizon possesses significantly more substantiation for the power installation factor used in the DC Power Consumption cost study than it provided in discovery in this proceeding.<sup>1</sup> Verizon used the same DC Power Consumption cost study at the FCC in support of its DC power rates in its federal tariff. In that proceeding, however, when the FCC asked for supporting documentation for Verizon's in-place power factor Verizon provided, not three pages as it did

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<sup>1</sup> AT&T reserves its right to file supplemental rebuttal testimony after it receives a complete response from Verizon.

here, but rather *several hundred pages* of data.<sup>2</sup> Verizon's response to ATT-VZ 5-6 should include the same material for the cost study in this docket that Verizon filed at the FCC.<sup>3</sup>

### **Conclusion.**

Verizon's sparse response to AT&T's request for substantiation of the power installation factor used in its DC Power Consumption cost study is wholly inadequate in light of the fact that Verizon provided the FCC with hundreds of pages of documentation explaining how it developed the power installation factor in the equivalent study filed at the FCC. Verizon should be required to provide the same data in this proceeding.

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<sup>2</sup> The FCC in its June 26, 2001, *Order Designating Issues for Investigation*, in *In The Matter Of Bell Atlantic Telephone Companies Revisions In Tariff FCC Nos. 1 and 11*, CC Docket No. 01-140, stated:

Verizon must explain and justify the specific methodology used to determine its federal EF&I factor. For each specific ordered and completed power equipment installation job used to calculate its federal EF&I factor, Verizon must provide: (1) a brief narrative describing the purpose of the job and how it relates to the provision of DC power; and (2) bill(s) for the job including the actual costs incurred by Verizon for completing it. Verizon derives its federal EF&I factor from the ratio of "total installed investment" to "total material investment." With respect to "total installed investment," Verizon is directed to explain in detail the derivation of the "in-place cost" associated with each hardware and plug-in item. In its Reply, Verizon states that "[i]n 2000, the vendor material price was multiplied by a Verizon regional power-specific installation factor to obtain the total EF&I investment." Verizon must explain this statement. How was the region-specific factor derived? Was the same region-specific factor applied to each state? If more than one region-specific factor was employed, then which region-specific factor was applied to each state and why? In addition, Verizon must provide the sources of the data used to derive its various "in-place cost" estimates.

*Id.* at ¶31 (footnotes omitted).

<sup>3</sup> The material filed at the FCC is subject to confidential treatment and may not be used in this proceeding.

**AT&T COMMUNICATIONS OF NEW  
ENGLAND INC.**

Respectfully submitted,

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